

AMENDED IN SENATE MAY 26, 2006

AMENDED IN SENATE APRIL 19, 2006

**SENATE BILL**

**No. 1674**

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**Introduced by Senator Murray**

*(Principal coauthor: Assembly Member Negrete McLeod)*

***(Coauthors: Senators Ashburn, Denham, and Romero)***

*(Coauthors: Assembly Members Chan, Garcia, Koretz, and Lieber  
Leno, Lieber, Matthews, and Yee)*

February 24, 2006

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An act to amend Sections 41350, 49430.5, 49531, and 49536 of the Education Code, relating to school meals.

LEGISLATIVE COUNSEL'S DIGEST

SB 1674, as amended, Murray. Public schools: meal reimbursement.

Existing law requires the Superintendent of Public Instruction to make allowances for child nutrition to child nutrition entities, as defined, based on reimbursement rates for free and reduced-price meals and to school districts and county superintendents of schools for the differences between the current fiscal year average statewide cost for all free and reduced-price meals and the total income per meal, as specified.

Existing law permits any child nutrition entity to apply to the State Department of Education for all available federal and state funds so that a nutritionally adequate breakfast or lunch, or both, may be provided to pupils each schoolday at each school in the districts or maintained by the county superintendents of schools, or at private schools and parochial schools and to children receiving child development services. Existing law limits state reimbursement to

meals provided to pupils who are within the relevant definitions and criteria in federal statutes and regulations that prescribe eligibility for free and reduced-price meals.

Existing law requires the department, prior to July 1 each year, to prescribe an adjustment in the established state meal contribution rates based on the specified cost-of-living adjustment.

Existing law requires that the per meal reimbursement rate received by elementary and middle schools for free and reduced-price meals be increased to 23¢. Existing law also establishes a per meal reimbursement rate of 10¢ for meals sold at full price in elementary and middle schools. Existing law requires schools to follow specified state and federal guidelines in order to qualify for reimbursement. Existing law requires that the reimbursement rates be adjusted annually for cost of living increases, as specified. Existing law provides that these provisions are only operative if moneys were appropriated as specified.

~~This bill, instead of increasing reimbursement rates for all free and reduced-price meals and providing a reimbursement rate for all paid meals,~~ would provide the increased reimbursement rate for free and reduced-price meals and a reimbursement rate for full price meals ~~only for those school districts, including charter schools, and state agencies that provide direct elementary and secondary level instructional services~~ *child nutrition entities, instead of only schools*, that follow specified state and federal nutrition guidelines. The bill would specify that the adjustment to the reimbursement rate be completed by the department by July 1 of each year. The bill would make the increased reimbursement rates available immediately to ~~qualifying school districts and state agencies~~ *child nutrition entities* by removing the provision that made the operation of the new meal reimbursement rates contingent on the appropriation of moneys for these purposes on or before January 1, 2004.

The bill also would make conforming and technical, nonsubstantive changes to the provisions of existing law.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 41350 of the Education Code is  
2 amended to read:

1 41350. The Superintendent shall make allowances for child  
2 nutrition as follows:

3 (a) Reimbursement of child nutrition entities, as defined by  
4 Section 49530.5, ~~and other educational entities specified pursuant~~  
5 ~~to Section 49430.5~~ for all free, reduced-price, and paid meals,  
6 pursuant to Sections 49430.5 and 49536.

7 (b) Reimbursement of school districts and county  
8 superintendents of schools for the difference between the current  
9 fiscal year average statewide lunch or breakfast cost for all free  
10 and reduced-price meals required by Section 49550 as  
11 determined by the Superintendent and the combined total income  
12 per meal derived from pupil charges, federal funds, and state  
13 funds as provided in Article 11 (commencing with Section  
14 49550) of Chapter 9 of Part 27.

15 (c) The combined state and federal reimbursements shall not  
16 exceed the current fiscal year average statewide lunch or  
17 breakfast cost. If the combined pupil charges, state  
18 reimbursements, and federal reimbursements exceed the current  
19 average statewide lunch or breakfast costs, the federal funds shall  
20 be expended prior to the expenditure of any state funds.

21 SEC. 2. Section 49430.5 of the Education Code is amended to  
22 read:

23 49430.5. (a) To qualify for increased reimbursement for free  
24 and reduced-price meals above the rates set pursuant to Section  
25 49536 and for the reimbursement for meals sold at full price, a  
26 ~~school district, including a charter school, or state agency that~~  
27 ~~provides direct elementary and secondary level instructional~~  
28 ~~services~~ *child nutrition entity, as defined by Section 49530.5,*  
29 shall follow the United States Department of Agriculture's  
30 Enhanced Food Based Meal Pattern, the United States  
31 Department of Agriculture's Nutrient Standard—~~Meal Menu~~  
32 Planning, California's SHAPE Menu Patterns, or the USDA  
33 Traditional Meal Pattern.

34 (b) ~~Each school district or state agency that provides direct~~  
35 ~~elementary and secondary level instructional services~~ *child*  
36 *nutrition entity, as defined by Section 49530.5,* that satisfies  
37 subdivision (a) shall receive:

38 (1) Twenty-three cents (\$0.23) for each free or reduced-price  
39 meal sold or served to its pupils.

40 (2) Ten cents (\$0.10) for each full price meal sold to its pupils.

(c) The reimbursement rates set forth in subdivision (b) shall be adjusted prior to July 1 of each year by the department for increases in cost of living in the same manner set forth in Section 42238.1.

(d) ~~A school district or state agency~~ *child nutrition entity, as defined by Section 49530.5*, not satisfying subdivision (a) that is otherwise eligible for state meal reimbursement shall receive the reimbursement rates established pursuant to Section 49536.

(e) ~~A school district or state agency~~ *child nutrition entity, as defined by Section 49530.5*, that satisfies subdivision (a) may apply for the reimbursement provided by this section pursuant to Section 49531 and shall be allocated the funds for the reimbursement pursuant to Section 41350.

SEC. 3. Section 49531 of the Education Code is amended to read:

49531. (a) ~~Any child nutrition entity or other educational entity specified pursuant to Section 49430.5~~ *A child nutrition entity, as defined by Section 49530.5*, may apply to the State Department of Education for all available and applicable federal and state funds so that a nutritionally adequate breakfast or lunch, or both, may be provided to pupils each schoolday at each school in the districts or maintained by the county superintendents of schools, or at private schools and parochial schools and to children receiving child development services. The state board shall adopt rules and regulations for the operation of lunch and breakfast programs in school districts. A child nutrition entity that receives state funds pursuant to this article, shall provide breakfasts and lunches in accordance with state and federal guidelines.

(b) A nutritionally adequate breakfast, for the purposes of this article, is one that qualifies for reimbursement under the federal child nutrition program regulations, meets a minimum of one-fourth of the current Recommended Dietary Allowance established by the National Research Council, and incorporates the current United States Dietary Guidelines for Americans. A nutritionally adequate lunch is one that qualifies for reimbursement under the federal child nutrition program regulations, meets one-third of the Recommended Dietary Allowance established by the National Research Council, and

1 incorporates the current United States Dietary Guidelines for  
2 Americans.

3 (c) State reimbursement for free and reduced-price meals  
4 provided pursuant to this article or Section 49430.5 shall be  
5 limited to meals provided to pupils who are within the relevant  
6 definitions and criteria in federal statutes and regulations that  
7 prescribe eligibility for free and reduced-price meals. State  
8 reimbursement for full price meals provided pursuant to Section  
9 49430.5 shall not be limited to those eligibility guidelines.

10 SEC. 4. Section 49536 of the Education Code is amended to  
11 read:

12 49536. (a) The State Department of Education shall, prior to  
13 July 1 of each year, prescribe an adjustment in the state meal  
14 contribution rates established pursuant to this section for the  
15 forthcoming fiscal year. The adjustments shall reflect the changes  
16 in the cost of operating a school breakfast and lunch program and  
17 shall be made commencing on July 1 of each year.

18 (b) The cost-of-living adjustment pursuant to subdivision (a)  
19 shall be equal to the percentage change determined pursuant to  
20 subdivision (b) of Section 42238.1.

21 (c) The reimbursement rates established pursuant to this  
22 section shall be the base reimbursement rates for free and  
23 reduced-price meals provided pursuant to this article. Increased  
24 reimbursement rates and reimbursement rates for full price meals  
25 shall be made available to qualifying schools pursuant to Section  
26 49430.5.